



# **USCHPA as an Ally for CHP Partners**

**A presentation to the  
EPA CHP Partners Meeting**

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**by**

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## **The problems we all face:**

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- **Inadequate supplies of power**
- **High and volatile energy costs**
- **Poor power quality and reliability**
- **Increasing air pollution, risk of climate change**
- **Energy system vulnerability to disruption**
- **Uncompetitive power markets**
- **Constrained transmission capacity**
- **Over-dependence on costly natural gas**
- **Excessive line losses of power**
- **Siting impacts of new plants, transmission**
- **Long lead times for new powerplants**



# The answers from CHP:

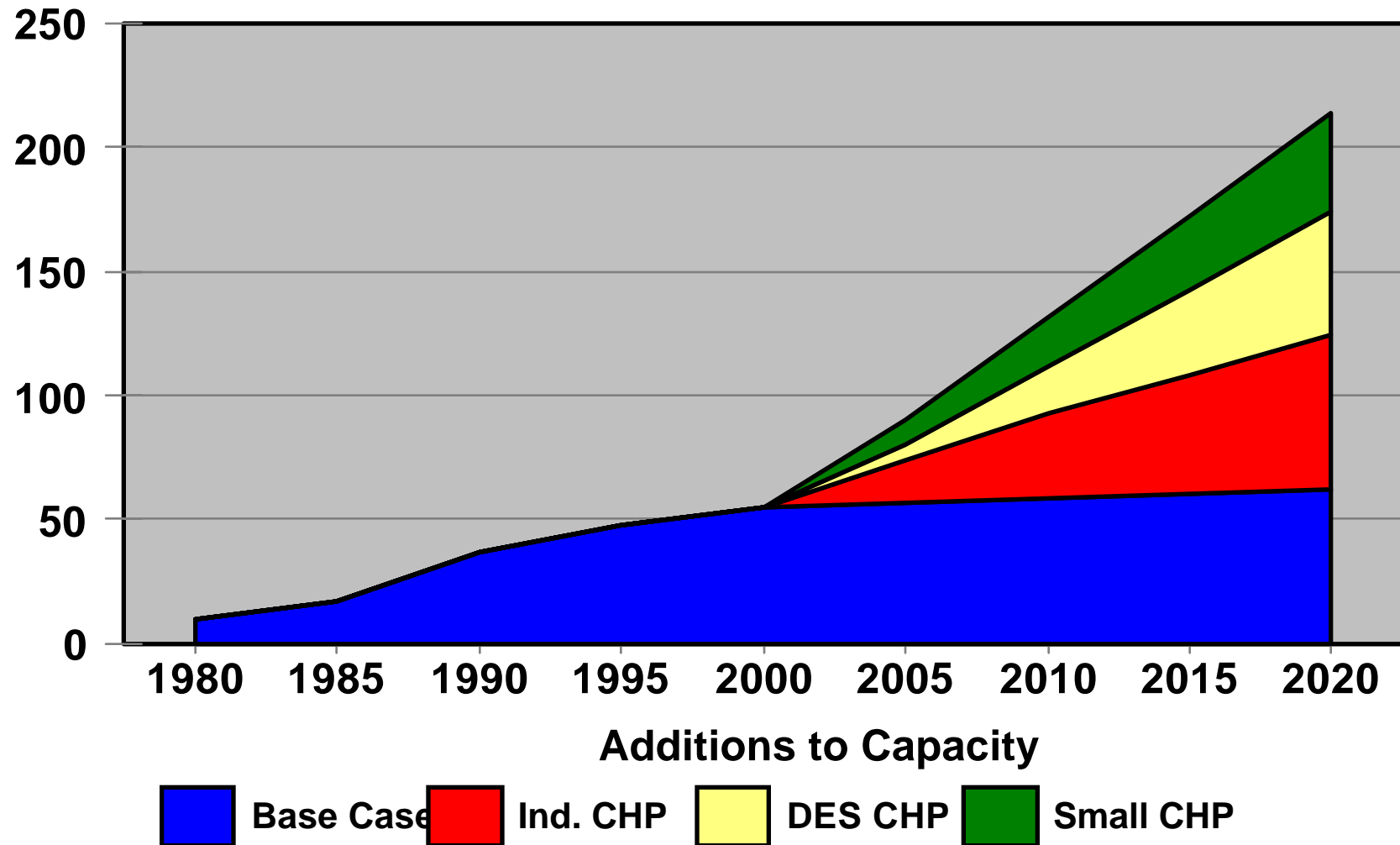
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- Inadequate supply – Add up to 210 GWs of CHP.
- High energy costs – Cuts energy cost by up to 2/3.
- Poor power quality – On-site power required.
- Air pollution – Reduces emissions up to 2/3.
- System vulnerability – Distributed and defensible.
- Uncompetitive markets – Many new players.
- Constrained transmission – CHP eases constraints.
- Over-dependence on gas – CHP optimizes gas use.
- Excessive line losses of power – None with CHP.
- Siting impacts – CHP located within existing sites.
- Long lead times – CHP in months.

*So why aren't we building CHP everywhere right now?*



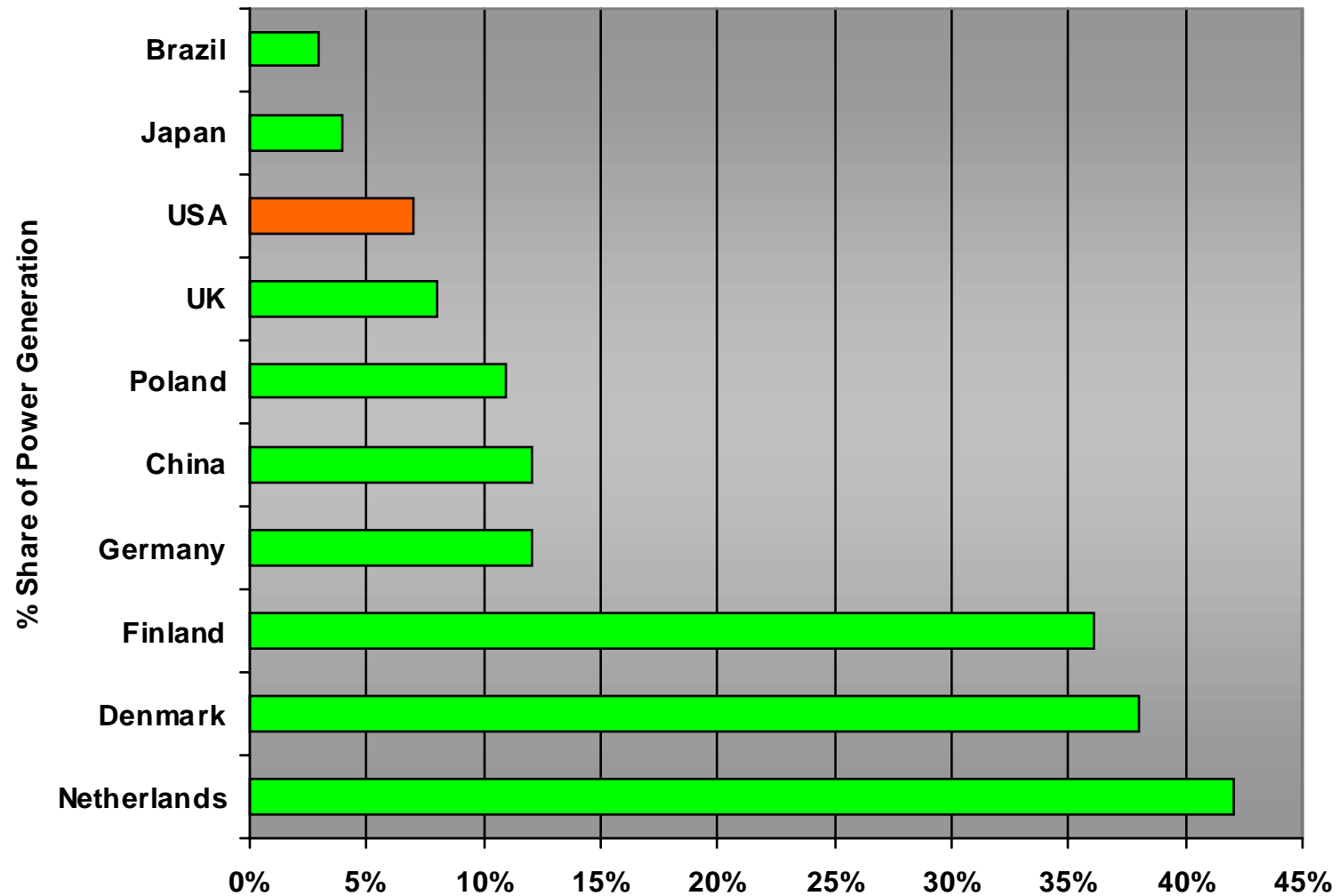
## Potential Capacity in Gigawatts





## Other countries are building CHP...

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# The barriers to CHP

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- Problems interconnecting with utilities.
- Punitive rates for utility services.
- Delays getting environmental permits.
- Failure to credit emission savings.
- Institutional and market inertia: lack of knowledge about CHP's potential.
- Inappropriate tax treatment.
- Unrealized technological promise.



# USCHPA Priorities

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- **Outreach through regional initiatives, web-site, conferences, visits, associations for end-use sectors, environmental groups, PR “branding” campaign – all in cooperation with EPA and DOE.**
- **Facilitate and support research on markets, technologies, and barriers by government, non-profits, and members.**
- **Attack regulatory barriers, recognize benefits of CHP through coordinated participation, advocacy at FERC, State PUCs, and before Congress.**
- **Obtain recognition of environmental benefits through EPA, Congress, state and local administrators, advocacy groups.**
- **Obtain reasonable tax policy, benefits from Congress.**
- **Monetize benefits for members to improve CHP economics.**
- **Provide excellent networking, business opportunities, and up-to-date intelligence for members.**